

#### How cultures differ

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#### How cultures differ...

In the warm-up activity of this unit, we asked you to read the article and answer the following questions:

- 1. What problems do small Canadian companies find when trying to expand to other countries?
- 2. According to the text, how can Canadian companies grow internationally more effectively?
- 3. In what aspects do cultures differ, according to the text?





#### How cultures differ...

And you have probably come to the following answers...

- A. High context x low context communication
- B. Perception of time
- C. The way workers interact with each other (individualistic, pride themselves for things while Latin and Eastern tend to see this as maveriks)





#### How cultures differ...

So now, let's go deeper into each of the topics that have arisen and learn the different ways in which cultures can differ ...





### A. Communication style

In terms of communication style, we can find high context and low context cultures...





# High context x low context cultures

Low context cultures are those which rely mostly on language for communication whereas, when communicating with people from low context cultures, we need to 'read' the context in order to interpret what they mean.





# High context x low context cultures

# HIGH CONTEXT CULTURES

- words are not the only element taken into consideration in communication
- communication involves the development of relationships
- you need to interpret the context together with the words to grasp meanings
- Truth depends on circumstances
- communication through intermediaries

#### LOW CONTEXT CULTURES

- speak directly
- straight to the point
- communication relies mostly on words
- first-person communication





# High context x low context cultures - examples

# HIGH CONTEXT CULTURES

- China
- Most of Latin countries
- Japan

#### LOW CONTEXT CULTURES

- US
- Scandinavian countries
- Most of anglo-saxonic countries





#### Perception of time

Besides the communication style, cultures can also differ in the way they perceive time.





#### Perception of time

For *monochronic cultures*, time is an asset and punctuality is very important, whereas for *polychronic cultures*, the concept of time is much more fluid and less controlled.





# Monochronic x polychronic cultures

# MONOCHRONIC CULTURES

- Time is linear (first A, then B, then C...)
- Do one thing at a time
- Punctuality is essential
- Work with deadlines

#### POLYCHRONIC CULTURES

- Time is fluid (A or C, then come to B or E...)
- "We can't control over time"
- Do many things at the same time
- Put relationships first





# Monochronic x polychronic cultures - examples

# MONOCHRONIC CULTURES

- Germany, Netherlands
- Scandinavian countries
- US
- Japanese, Korean

#### POLYCHRONIC CULTURES

- Latin Americans
- Arabic countries
- Africans





# Monochronic x polychronic cultures

See the following video about the perception of time by different cultures:

https://www.youtube.com/watch?v=6fz6pl5xo5M





Besides the concepts of monochronic x polychronic and high context x low context cultures, a widely used tool to analyse cultural differences between nations is the one developed by Geert Hofstede.

Hofstede was one of the first researchers to analyze the influence of NATIONAL culture on management practices and, in 1980, he held an empirical study at large multinational company (IBM) with:

- 66 national subsidiaries
- 116000 questionnaires
- 60 out of 150 questions concerned values and opinions





As a result from the study, Hofstede was able to identify what he called 'National Cultural Dimensions' and which referred to "aspects of a culture that can be measured relative to other cultures" (Hofstede 1999, p. 48).





"The cultural dimensions represent independent preferences for one state of affairs over another that distinguish countries (rather than individuals) from each other." (Hofstede 1999, p. 48).





- 1. Power distance (large x small)
- 2. Individualism / Collectivism
- 3. Masculinity / Femininity
- 4. Uncertainty Avoidance (strong x weak)
- 5. Long term orientation / short term orientation
- 6. Indulgence / restraint (2010)





• 1. Power distance (large x small)

Power distance is defined by Hofstede as "the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally."

Source: <a href="https://www.hofstede-insights.com/country-comparison/">https://www.hofstede-insights.com/country-comparison/</a>





1. Power distance (large x small)

See an example of the power distance dimension at play below:

In December 1988 the following news item appeared in the press:

Stockholm, December 23. The Swedish King Carl Gustav this week experienced considerable delay while shopping for Christmas presents for his children, when he wanted to pay by cheque but could not show his cheque card. The salesperson refused to accept the cheque without legitimation. Only when helpful bystanders dug in their pockets for one-crown pieces showing the face of the King, the salesperson decided to accept this for legitimation, not, however, without testing the cheque thoroughly for authenticity and noting the name and address of the holder.<sup>11</sup>

Source: Geert Hofstede





#### Power distance

#### HIGH POWER DISTANCE

- hierarchy should be respected
- power holders have more benefits than the less powerful in society
- important to show respect to the elderly
- there is one boss who takes complete responsibility
- Status symbols of power are very important source

#### LOW POWER DISTANCE

- autonomy is required
- very egalitarian mind-set
- power is decentralized
- workplaces have a very informal atmosphere with direct and involving communication
- works on a first name basis
- employees expect to be consulted

Source: <a href="https://www.hofstede-insights.com/country-comparison/brazil,denmark/">https://www.hofstede-insights.com/country-comparison/brazil,denmark/</a>





• 2. Individualism x collectivism

This dimensions refers to "the degree of interdependence a society maintains among its members"

Source: <a href="https://www.hofstede-insights.com/country-comparison/">https://www.hofstede-insights.com/country-comparison/</a>





#### Individualism x collectivism

#### **INDIVIDUALISM**

- "|"
- people are only supposed to look after themselves and their direct family
- hierarchy is established for convenience
- Both managers and employees expect to be consulted and information is shared frequently
- employees are expected to be selfreliant and display initiative
- promotion and decisions are based on merit or evidence of what one has done or can do

#### **COLLECTIVISM**

- "We"
- people belong to "in groups" that take care of them in exchange for unquestioning loyalty
- people act in the interests of the group and not necessarily of themselves
- relationships with colleagues are cooperative for in-groups
- personal relationships prevail over task and company

Source: https://www.hofstede-insights.com/country-comparison/



• 3. Femininity x masculinity

"The fundamental issue here is what motivates people, wanting to be the best (Masculine) or liking what you do (Feminine)"

Source: <a href="https://www.hofstede-insights.com/country-comparison/">https://www.hofstede-insights.com/country-comparison/</a>





### Femininity x masculinity

#### **FEMININE**

- "work to live"
- dominant values in society are caring for others and quality of life
- quality of life is the sign of success
- important to keep the life/work balance
- An effective manager is supportive to his/her people
- decision making is achieved through involvement
- Managers strive for consensus
- people value equality, solidarity and quality in their working lives

#### **MASCULINE**

- "live to work"
- society will be driven by competition, achievement and success
- Work is prioritized in relation to family and leisure
- "the winner takes all"
- there exists a "can-do" mentality which creates a lot of dynamism in the society
- it is believed that there is always the possibility to do things in a better way

Source: https://www.hofstede-insights.com/country-

<u>comparison/china,the-netherlands/</u> KA2 Strategic Partnerships – 2016-1-HU01-KA202-022916





• 4. Uncertainty avoidance

"The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these"

Source: <a href="https://www.hofstede-insights.com/country-comparison/">https://www.hofstede-insights.com/country-comparison/</a>





#### Uncertainty avoidance

#### HIGH

- try to control the future
- Ambiguity brings anxiety
- People like to have rules for everything
- changes cause stress
- Confrontation is avoided
- great concern for changing, ambiguous and undefined situations
- prefer stable jobs ("job for life")

#### **LOW**

- adherence to laws and rules may be flexible to suit the actual situation and pragmatism is a fact of life
- comfortable with ambiguity
- adaptable and entrepreneurial

Source: <a href="https://www.hofstede-insights.com/country-comparison/china,spain/">https://www.hofstede-insights.com/country-comparison/china,spain/</a>

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5. Long term orientation x short term orientation

"how every society has to maintain some links with its own past while dealing with the challenges of the present and future"

Source: <a href="https://www.hofstede-insights.com/country-comparison/">https://www.hofstede-insights.com/country-comparison/</a>





#### Uncertainty avoidance

# LONG TERM ORIENTATION

- more pragmatic and relaxed approaches to life
- people believe that truth depends very much on situation, context and time
- ability to adapt traditions easily to changed conditions
- strong propensity to save and invest
- perseverance in achieving results

# SHORT TERM ORIENTATION

- Normative societies
- people like to live in the moment, without a great concern about the future
- people look for quick results without delays
- there is a need for clear structures and well defined rules

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Source: <a href="https://www.hofstede-insights.com/country-comparison/china,spain/">https://www.hofstede-insights.com/country-comparison/china,spain/</a>



• 5. Indulgence x restraint

"defined as the extent to which people try to control their desires and impulses, based on the way they were raised"

Source: <a href="https://www.hofstede-insights.com/country-comparison/">https://www.hofstede-insights.com/country-comparison/</a>





### Uncertainty avoidance

#### **INDULGENCE**

- willingness to realise their impulses and desires with regard to enjoying life and having fun
- positive attitude
- tendency towards optimism
- place a higher degree of importance on leisure time
- act as they please and spend money as they wish

#### RESTRAINT

- tendency to cynicism and pessimism
- do not put much emphasis on leisure time
- control the gratification of their desires
- perception that their actions are Restrained by social norms
- feel that indulging themselves is somewhat wrong

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Source: <a href="https://www.hofstede-insights.com/country-comparison/china,brazil/">https://www.hofstede-insights.com/country-comparison/china,brazil/</a>



You can consult and compare the indexes for different countries in the different national dimensions in a tool available at Hofstede's website:

https://www.hofstede-insights.com/product/compare-countries/



